

# 50 CONS FACT SHEET

## Disputes with Contractors

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Occasionally, a contractor will not deliver items or perform a service on time, or might deliver a substitute product, or might perform a service unsatisfactorily. What does a customer do when this happens?

1. If there is a Quality Assurance Evaluator (QAE) appointed for the contract, notify that person without delay. A QAE is a government official, military or civilian, who is charged with making sure we get what we pay for. QAEs are usually appointed for major service contracts, but for a small dollar service or supply contract, there might be no QAE.

2. If there is no QAE, notify the contracting officer without delay. Your failure to give us prompt notice may result in forfeiture of the Government's rights to obtain a remedy.

3. The QAE or contracting officer will make certain the Government obtains any needed remedy. Remedies might include exercising warranty rights, rejecting the supplies or service and requiring re-delivery or re-performance at no additional cost, accepting the supplies or service but unilaterally reducing the price, and so forth.

4. If there is a dispute, the contractor is required by the Contract Disputes Act (41 U.S.C. 601-613) and by the terms of the contract to *"proceed diligently with performance of [the] contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the Contracting Officer."*

NOTE: The customer must not give a contractor permission to deviate from the terms of the contract. Do not allow a contractor to give us more or less than the contract calls for, and do not authorize late delivery or a substitute product. If we paid for two coats of paint, but one coat looks good and the contractor asks you to accept the work, DON'T! Talk to your contracting officer first—if we do accept the single coat, we'll get a price reduction for the cost of the second coat. If a contractor wants to deliver late, the contracting officer may reduce the price.

NOTE 2: If an item or service previously delivered included a warranty, please keep the warranty paperwork for the life of the warranty. This may be needed later.

FINAL NOTE: Don't argue with the contractor! Call the QAE or contracting officer without delay!

More information on remedies and disputes may be found in the termination, disputes, and inspection/acceptance clauses of our contracts, and in FAR Parts 33, 46, and 49.

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We hope the information in this Fact Sheet is helpful. Please e-mail your recommendations for improvement to [inmanjm@schriever.af.mil](mailto:inmanjm@schriever.af.mil)